



News Release

FOR IMMEDIATE RELEASE

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Notice about merger of a consolidated subsidiary

TOKYO, JAPAN, July 25, 2007 – Elpida Memory, Inc. (Elpida), Japan's leading global supplier of Dynamic Random Access Memory (DRAM), announced that a resolution was passed at the Board of Directors' meeting held on July 25, 2007 that Hiroshima Elpida Memory, Inc., a 100% owned subsidiary, is to be merged into the parent company. The details of the merger are as follows.

1. Purpose and details of merger

Elpida currently wishes to and is in the process of fully merging its operations with its 100%-owned DRAM manufacturing subsidiary, Hiroshima Elpida Memory. The result should be a centralized management structure to coordinate technology development, manufacturing and sales that can deliver greater management efficiency and a stronger business base.

2. Summary of merger

(1) Schedule

Board of directors' meeting regarding resolution of merger	July 25, 2007
Scheduled Board of directors' meeting regarding final approval	September 27, 2007
Scheduled signing of merger contract	September 27, 2007
Effective date of merger	April 1, 2008

In accordance with Article 796, Paragraph 3 and Article 784, Paragraph 1 of the Corporate Law, both Elpida Memory, Inc. and Hiroshima Elpida Memory, Inc. do not need to undergo approval process of Merger Contract at respective shareholders' meeting.

(2) Method of merger

Hiroshima Elpida Memory, Inc. is to be merged into Elpida Memory, Inc. Hiroshima Elpida Memory, Inc. is to be dissolved.

(3) Deal with share warrant and convertible bond issued by Hiroshima Elpida Memory, Inc.

Hiroshima Elpida Memory, Inc. does not issue share warrant and convertible bond.

3. Outline of companies involved in merger (as March 31, 2007)

(1) Name of company	Elpida Memory, Inc. (merging company)	Hiroshima Elpida Memory, Inc. (company to be merged)
(2) Major business segments	Development, design and sale of DRAM	Manufacturing DRAM for Elpida Memory, Inc.
(3) Date of establishment	December 20, 1999	September 1, 2003
(4) Head office	2-1, Yaesu 2-chome, Chuo-ku, Tokyo	7-10, Yoshikawa Kogyo Danchi, Higashi Hiroshima-shi, Hiroshima
(5) Representative	President & CEO, Yukio Sakamoto	President, Yukio Sakamoto
(6) Paid-in capital	155.0 billion yen	325 million yen
(7) Number of shares issued	129,288,900	7,000
(8) Total shareholders' equity	372,625 (millions of yen)	37 (millions of yen)
(9) Total assets	681,730 (millions of yen)	463,644 (millions of yen)
(10) Fiscal term	March 31	March 31
(11) Number of Employees	907	1,908
(12) Name of major shareholders, number of shares held and investment ratio	Hitachi, Ltd. 11.1% The Master Trust Bank of Japan, Ltd. 10.3% Japan Trustee Services Bank, Ltd. 9.5% NEC Corporation 6.0% Japan Trustee Services Bank, Ltd. 3.4%	Elpida Memory, Inc. 100%

4. Outline of Elpida Memory, Inc. following the merger

(1) Name of Company	Elpida Memory, Inc.
(2) Major Business Segments	Development, design, manufacture and sale of DRAM
(3) Head Office	2-1, Yaesu 2-chome, Chuo-ku, Tokyo
(4) Representative	President & CEO Yukio Sakamoto
(5) Paid-in Capital	155.0 billion yen (There will be no increase in Paid-in capital due to this merger.)
(6) Total assets	There is little impact to be caused by this merger.
(7) Fiscal Term	March 31
(8) Impact on Financial Forecasts	There is little impact to be caused by the merger of Hiroshima Elpida Memory, Inc. on the consolidated group financial results as well as non-consolidated financial results.

About Elpida Memory, Inc.

Elpida Memory, Inc., (Tokyo Stock Exchange Code 6665), is a leading manufacturer of Dynamic Random Access Memory (DRAM) silicon chips. Our design, manufacturing, and sales operations are backed by our world class technology expertise. Our manufacturing facilities, Hiroshima Elpida Memory, Inc. (front-end processes) and Akita Elpida Memory, Inc. (back-end processes), utilize the most advanced manufacturing technologies available in the industry. Further, we have customer sales and marketing support offices in Japan, North America, Europe, Taiwan, Hong Kong and Singapore. Elpida's portfolio of advanced products features such characteristics as high-density, high-speed, low power and small packing profiles. We provide applications across a wide range of areas, including high-end servers, mobile phones and digital consumer electronics. For more information about Elpida, please visit <http://www.elpida.com>.

Information in this news release is current as of the timing of the release, but may be revised later without notice.